

INFORMATION TECHNOLOGY FUND

BUDGET OVERVIEW

(\$ In Millions)	2005-2006 Budget	2005-2006 Exp. Est.	Over/ (Under)	2007-2008 Budget	Budget to Budget Difference	2-yr % change	1-yr % change
Total Budget	\$5.6	\$5.2	(\$0.4)	\$7.1	\$1.5	26.1%	13.0%
Total FTEs	21.00	21.00	0.00	22.00	1.00	4.8%	2.4%

COST DRIVERS

Salaries and Benefits up \$719K

- Market and merit increases of 4.5% in 2007 and 2008. NOTE: Should not be construed as City's negotiating position.
- Medical premium increases of 13% per year.
- PERS rate increases of 132% between 2006 and 2008, as approved by the State Legislature.
- 1.0 FTE added in Support Services (see new programs section for more details).

Supplies up \$28K

- Inflationary increases of 2.6% and 2.5% for 2007 and 2008, respectively.

Professional Services up \$375K

- Inflationary increases of 2.6% and 2.5% for 2007 and 2008, respectively.
- Increases granted for: Enterprise Software Licensing for desktop Windows and Microsoft Office suite (\$273,817).
- Increase in repairs and maintenance due to new programs for Data security, Disaster recovery, and Records Management System (see new programs for more details).

Capital Equipment up \$408K

- This represents the capital component of the Data security, Disaster recovery, and Records Management System (see new programs for more details).

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NEW PROGRAMS

Business continuity and critical support (1.0 FTE; \$149,290)

Over the last 5 years, City staff has increased their reliance on technology to continue to deliver City services in an effective, efficient, cost-saving and customer-focused manner. Nearly every piece of equipment, every new program or initiative and every person working on behalf of the City of Redmond (employees, volunteers, and supplementals) now requires some hardware or software component to deliver optimal service. The number of devices (PCs, laptops and printers) has increased by 528% since 1995; the number of Help Desk calls has increased by 20% each year during the last five years; and the number of software applications currently in use exceeds 150. Technology solutions are ubiquitous and every one of these systems, once implemented, requires Help Desk support. Yet we have not increased Help Desk staff since the Help Desk was established in 1995. The inefficiencies and high cost associated with an understaffed Help Desk are exacting a productivity and emotional drain on the organization. The Network and Application Services divisions have had to take on first-level support responsibilities impeding their ability to focus on their own workload. Support is reactive and disjointed rather than proactive and connected; projects have been delayed; and maintenance, upgrades, and enhancements that protect the City from security vulnerabilities and provide improved system functionality are falling behind in every area of I.S. Without proper support of the hardware and software needed to fulfill the City's commitments to its constituents, optimal service delivery will not be possible. Properly staffing the Information Services Help Desk will provide immediate and long-term benefits to all City staff and, consequently, to all of our constituents as a result. Optimal service delivery is the City's mandate; we must properly staff the Information Services Help Desk to deliver on that promise.

Data security (\$168,840)

Identify theft has become the fastest growing crime in the United States, if not the world. As of August, 2006, at least 148 security breaches have been reported in the U.S. potentially affecting 9.3 million individuals. 30% of these incidents occurred in governmental or military agencies -- a 12% higher rate of incidents than in general business. Unfortunately, for the past 10 years, Washington has remained in the undesirable "top 10" list of states for the occurrences of identify theft. To combat this increasing threat, regulations have been created that address the appropriate technical and physical safeguards that must be in place to restrict access to personal identifying information of employees and citizens. Information Services is proposing 3 programs to mitigate the risk at the workstation:

- purchase of anti-spyware software for all City workstations
- implementation of controls for downloading sensitive data to removable media
- workstation security compliance coupled with 2-factor authentication when accessing a workstation

City communication disaster recovery (\$270,000)

As a City that resides in a “disaster zone”, Redmond must make every effort possible to ensure power and communication channels are available so the City can quickly respond to the needs of its citizens and businesses after a disaster. Purchase of a portable, backup generator for the Public Safety Building would provide an alternative source of power if the primary generator failed or used up its fuel. Creation of a Redundant Network Core at a location other than the Public Safety Building would allow for critical communications and rudimentary business functions for a short period of time following a disaster. The purchase of several servers that could be co-located with the Redundant Network Core could be configured to provide mission-critical business applications as quickly as 24 hours after a disaster. Enhancement of the existing backup and recovery system would ensure that mission-critical systems could be recovered close to the moment of the disaster reducing or eliminating the need to recover information manually.

Additional one-time funding for Records Management program approved in 2005-06 budget (\$65,000, total one-time funding of \$150,000 split between City Clerk and Information Services)

Records and information are at the core of every transaction any organization undertakes. Yet the City lacks effective policies and procedures for systematic control of recorded information. As a result in 2005, the City Council approved one-time money to support an initiative to develop and implement a citywide Records and Information Management (RIM) program. This system would not only provide for better management, but also allow departments to reduce the file space needs in the new city hall, which has limited storage. Because of limited resources only one-time money was available to continue this program in 2007-2008. Sound records management practices guard against potential litigation and penalties due to noncompliance and contributes to the smooth operation of City programs. If long term funding is not identified, the City may need to downsize or curtail its record management program.

INFORMATION SERVICES FUND

WHAT DO WE DO?	WHY DO WE DO IT?	HOW MUCH DOES IT COST?		IS IT LEGALLY MANDATED, CORE, OR VALUE ADDED SERVICE?
		2005-2006	2007-2008	
ADMINISTRATION		\$3,072,867	\$388,821	
Develop short and long range strategic plans, establish policies and procedures, technical standards and priorities that guide the development and implementation of technology citywide based on the City's strategic goals.	Ensure that the City's strategic technology plan aligns with the City's strategic goals and objectives.			Core service
Oversee the development and implementation of citywide information and telecommunications systems including hardware infrastructure and software applications, voice and wireless technology necessary to achieve the City's business services goals.	Ensure that the systems implemented or developed support City-wide goals, departmental goals and provide the best possible tools available to support the day-to-day operations of the business.			Core service
Prepare and manage the Division's budget and ensure the most efficient and economical use of divisional funds, manpower, facilities, and time.	Ensure the City receives the greatest value possible from its investment in technology.			Core service
Supervise Information Services personnel, providing for ongoing training, development opportunities, motivation and professional growth.	Ensure I.S. personnel have the skills required to implement, enhance and maintain the City's rapidly changing technology and create an environment that retains existing personnel and attracts highly talented technology professionals.			Core service
Develop application software to support the business needs of City staff.	Provide a set of tools for City staff to perform their jobs more efficiently and cost effectively.			Core service

* In 2005-2006, the majority of I.T. staff was included in the Administration division. The 2007-2008 budget breaks these positions into their respective categories: GIS, Network, Support, and Applications.

INFORMATION SERVICES FUND (cont.)

WHAT DO WE DO?		WHY DO WE DO IT?		HOW MUCH DOES IT COST?		IS IT LEGALLY MANDATED, CORE, OR VALUE ADDED SERVICE?
				2005-2006	2007-2008	
APPLICATION SERVICES				\$653,519	\$1,782,714	
Maintain and support department specific application software.	Ensure the tools used by City staff remain current and take advantage of increased functionality.					Core service
Maintain and support City's financial applications.	Ensure the integrity and stability of the City's mission critical financial system.					Legally mandated
Develop application software to support the business needs of City staff.	Provide a set of tools for City staff to perform their jobs more efficiently and cost effectively.					Core service
Manage technology related software projects.	Ensure developed and purchased software is implemented successfully, on time and on budget and meets the needs of the users.					Core service
Assist staff in evaluating and selecting software applications.	Ensure purchased software will effectively meet the business requirements and comply with the City's software standards.					Core Service
GIS SERVICES				\$903,901	\$1,515,441	
GIS data capture and maintenance.	Keep the data up to date and accurate so staff can make informed decisions					Core service
GIS standards and procedures.	Ensure that GIS data is collected in a manner that will allow multiple departments to use and benefit from the City's investment.					Core service
Central GIS data warehouse management.	Ensure that the data is available to all City staff in the necessary formats with the appropriate security permissions.					Core service
GIS services including mapping, analysis, database development and application development.	Help city departments make informed decisions, increase productivity and provide better customer service to Redmond's residents and businesses.					Core and value-added service
GIS/CAD software support	Support City staff in their use of the GIS/CAD software so that they can realize the maximum benefits of the system.					Core service

INFORMATION SERVICES FUND (cont.)

WHAT DO WE DO?	WHY DO WE DO IT?	HOW MUCH DOES IT COST?		IS IT LEGALLY MANDATED, CORE, OR VALUE ADDED SERVICE?
		2005-2006	2007-2008	
NETWORK SERVICES		\$412,756	\$1,838,164	
Overall management of network, servers, and telephone systems.	Provide telephones and network to support day-to-day activities of City employees and access to the City by the public.			Core service
Support and maintain anti-virus and spam protection.	Protect City's information and resources in order to minimize or eliminate loss of employee productivity.			Core service
Ensure highly reliable and highly available systems including business continuance.	Ensure the City is available to the public when needed, especially Police and Fire protection.			Core service
Provide wireless access around the City campus and via cellular.	The City's workforce is becoming more mobile and the demand for wireless access to perform job duties in the field have increased.			Value-added
Provide remote access to the City's network and systems for telecommuters, employees in the field and software suppliers.	Support employees' working from home or remote locations and provide accessibility to suppliers who assist in the support of application software.			Value-added
Participate in the City Hall project.	Ensure the new City Hall will be able support communication needs, the network infrastructure and security needed for the City's employees.			Core service

INFORMATION SERVICES FUND (cont.)

WHAT DO WE DO?	WHY DO WE DO IT?	HOW MUCH DOES IT COST?		IS IT LEGALLY MANDATED, CORE, OR VALUE ADDED SERVICE?
		2005-2006	2007-2008	
SUPPORT SERVICES		\$133,950	\$1,173,639	
The Help Desk provides a single-point of contact to respond and resolve PC issues.	Provide expedient resolution of issues affecting employee productivity.			Core service
Desktop management including PC-based security/protection; desktop standards; procurement; PC replacements; usage policies. - Currently have 1 staff for every 250 PCs. - Industry average is 1 staff for every 70 PCs.	Protect the City's infrastructure from client-based security issues; maintain a cost-effective and operational environment through standardized equipment specs; keeping those in line with increasing demands/changes in processing, storage and space require.			Core service
Maintain enterprise licensing programs; evaluate software needs by workgroup and by enterprise. Total enterprise licenses: 502.	Fulfill licensing compliance requirements.			Legally mandated
Provide citywide technical training offerings, available to all employees based on specific needs.	Ensure that employees have a cost-effective opportunity to improve their skills using those software programs that are core to their service delivery processes.			Value-added
Maintain an internal web site for purposes of information dissemination and provide an easy-to-use interface to a variety of web-based applications.	Enhances our collective ability to work more efficiently by providing self-service applications (and the instructions on how to use them) in one place; reduces the amount of personal training and repetitive distribution of information.			Value-added
Ending Fund Balance		\$423,806	\$363,192	
TOTAL INFORMATION SERVICES FUND BUDGET		\$5,600,799	\$7,061,971	

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REVENUE SUMMARY BY OBJECT

	2005-2006 Budget	2005-2006 Estimate	Over/ (Under)	2007-2008 Budget	Budget to Budget Difference
Beginning Fund Balance	299,580	142,082	(157,498)	212,892	(86,688)
Transfer from General Fund	3,938,228	3,938,228	0	4,734,832	796,604
Transfer from Operating Grants		0	0	32,271	32,271
Transfer from Solid Waste	0	0	0	22,441	22,441
Transfer from CIP	0	0	0	131,568	131,568
Transfer from Fleet	0	0	0	66,132	66,132
Transfer from Insurance	0	0	0	27,803	27,803
Transfer from WWW	634,879	634,879	0	1,012,344	377,465
Transfer from SWM	720,612	720,612	0	671,388	(49,224)
Software License/Support Fees	7,500	0	(7,500)	150,300	142,800
Total Revenues	5,600,799	5,435,801	(164,998)	7,061,971	1,461,172

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EXPENDITURE SUMMARY BY OBJECT

	2005-2006 Budget	2005-2006 Estimate	Over/ (Under)	2007-2008 Budget	Budget to Budget Difference
Salaries and Wages					
Salaries	3,160,980	3,188,739	27,759	3,526,065	365,085
Salaries Subtotal	3,160,980	3,188,739	27,759	3,526,065	365,085
Benefits					
City Retirement	229,273	236,083	6,810	256,814	27,541
State Retirement	43,135	62,572	19,437	233,639	190,504
Medical	412,801	366,378	(46,423)	544,968	132,167
Workers' Compensation	14,150	8,039	(6,111)	17,447	3,297
Other Benefits	5,796	5,369	(427)	6,001	205
Benefits Subtotal	705,155	678,441	(26,714)	1,058,869	353,714
Salaries and Benefit Subtotal	3,866,135	3,867,180	1,045	4,584,934	718,799
Supplies	193,650	158,481	(35,169)	221,472	27,822
Professional Services					
Consulting Services	238,000	194,655	(43,345)	229,998	(8,002)
Communications	41,978	43,952	1,974	35,991	(5,987)
Travel	9,000	9,000	0	20,349	11,349
Repairs & Maintenance	682,557	808,725	126,168	1,032,292	349,735
Other Services/Charges	97,142	113,123	15,981	124,862	27,720
Prof. Services Subtotal	1,068,677	1,169,455	100,778	1,443,492	374,815
Capital Equipment	40,000	39,781	(219)	448,259	408,259
Interfund Transfer - Fleet	8,531	8,382	(149)	622	(7,909)
Ending Fund Balance	423,806	0	(423,806)	363,192	(60,614)
Total Expenditures	5,600,799	5,243,279	(357,520)	7,061,971	1,461,172